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UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

10 In Re:) CASE NO.: BK-S-09-52177-GWZ
 11 WES CONSTRUCTION COMPANY, INC.) CHAPTER: 7
 12 Debtor(s)) DATE: February 1, 2011
 13) TIME: 2:00 p.m.
 14

PREMIUM FINANCING SPECIALISTS, INC.'S APPLICATION FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE

16 Creditor IPFS Corporation, f/k/a/ Premium Financing Specialists, Inc., ("PFS"), by and
 17 through its undersigned counsel and pursuant to 11 U.S.C. §§ 503(a) and 503(b)(3)(A), hereby files
 18 its Application for Allowance and Payment of Administrative Expense and in support thereof states
 19 that:

20 1. On or about July 7, 2009, (the "Petition Date"), WES Construction, Inc. ("Debtor")
 21 filed a Voluntary Petition under Chapter 11 Title 11 of the United States Code, 11 U.S.C. § 101, et
 22 seq.

23 2. On November 19, 2009, this case was converted to a Chapter 7 bankruptcy proceeding.
 24 See Doc. #241.

25 3. PFS (now known as IPFS Corporation) is an insurance premium finance company,
 26 whose business consists of lending money to businesses to finance their insurance premiums. See
 27 Declaration in Support of Secured Creditor Premium Financing Specialists, Inc.'s Application for
 28 Allowance and Payment of Administrative Expense ("Declaration"), ¶ 2.

1 5. On about June 8, 2009, debtor entered into an insurance premium finance agreement with
2 Western Assurance Company who subsequently assigned its rights under the agreement to PFS. *See*
3 Declaration, ¶ 4.

4 6. At debtor's request, Western Assurance Company paid the premium for debtor's general
5 liability and excess insurance policies for coverage for 12 months beginning June 1, 2009 in consideration
6 for debtor's promise to pay all balances due Western Assurance Company, and now, PFS, in monthly
7 installments. *See Declaration, ¶ 5.*

8 7. The total of the premiums financed by PFS on the policies was \$193,434.20. Debtor made
9 a cash down payment of \$61,220.20 and agreed to pay the balance on the loan and a finance charge in ten
10 monthly installments of \$13,646.20 on the first day of each month beginning July 1, 2009 until the loan
11 was repaid in full. *See Declaration, ¶ 6.*

12 8. By the terms of the agreement, Debtor assigned to Western Assurance Company, now PFS,
13 any and all unearned premiums payable under the policies scheduled therein. Said assignment was given
14 as security for the total amount payable by Debtor to Western Assurance Company, now PFS, under the
15 agreement. *See Declaration, ¶ 7.*

16 9. By the terms of the agreement, Debtor irrevocably and unconditionally appointed Western
17 Assurance Company, now PFS, as attorney-in-fact with full authority to cancel the policies scheduled in
18 the agreement, as well as to execute and deliver on behalf of the debtor all documents, forms and notices
19 relating to the policies scheduled in the agreement, and to obtain all unearned and return premiums. *See*
20 Declaration, ¶ 8.

21 10. Debtor is in default of the payments due under the agreement. *See Declaration, ¶ 9.*

22 11. As of November 1, 2010, after having cancelled the policy and having applied all unearned
23 and return premiums, the unpaid balance under the finance agreement is \$19,152.96, plus attorney's fees
24 and costs. *See Declaration, ¶ 10.*

25 12. On January 15, 2010, PFS filed its Motion for Relief from Stay (Doc. No. 254) in order
26 to cancel the policy scheduled in the agreement and to obtain all unearned and return premiums, which
27 same shall be applied to the above described unpaid balance due under the finance agreement. On March
28 3, 2010 the Court entered its Order Granting PFS' Motion for Relief from Stay (Doc. No. 283).

1 13. To the extent that the unearned and return premiums were insufficient to pay the unpaid
2 balance due under the finance agreement, plus attorney's fees and costs, PFS is entitled to an allowed
3 administrative expense claim pursuant to 11 U.S.C. § 503.

4 14. Under § 503 of the Bankruptcy Code an entity is entitled to the allowance of an
5 administrative expense for the actual necessary expenses of the estate, and to payment of such expenses
6 as a cost of administration. In addition, PFS is entitled to assert its fees and costs as an administrative
7 expense.

8 WHEREFORE, PFS respectfully requests that this Court enter an Order pursuant to 11 U.S.C.
9 § 503 of the Bankruptcy Code allowing an administrative expense in its favor in the amount of
10 \$19,152.96, plus attorney fees and costs, less any refund PFS receives from the unearned and return
11 premiums and requiring Debtor to pay such claim forthwith, and for this Court to grant other and further
12 relief that is just and appropriate.

13 DATED this 10 day of December 2010.

~~GOLDSMITH & GUYMON, P.C.~~

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